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November 18, 1994

Mr. William F. Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W. Room 222
Washington, D.C. 20554

Ex Parte

Re: PR Docket No. 93-61

Dear Mr. Caton:

Pursuant to Section 1.1206 of the Commission's Rules, this is to notify you that Charles Meehan, Jeffrey Sheldon, and Sean Stokes, representing UTC, The Telecommunications Association (formerly known as the "Utilities Telecommunications Council"), met yesterday afternoon with Commissioner Chong and her staff to discuss the issues in PR Docket No. 93-61 relating to the use of the 902-928 MHz band and the authorization of Automatic Vehicle Monitoring (AVM) systems in that band.

UTC summarized its written comments in this docket, noting the detrimental impact on electric, gas and water utilities if Part 15 devices, such as automatic meter reading and utility distribution automation/demand side management (DA/DSM) systems, are disrupted by the expanded operation of AVM systems. Attached is a copy of the written materials used during this presentation.

An original and one copy of this filing are being submitted for inclusion in the docket.

Should any questions arise concerning this notice, please let me know.

Very truly yours,

Jeffrey L. Sheldon
General Counsel

Attachments

cc (w/o attachments):
Commissioner Rachelle B. Chong, FCC
Jane E. Mago, FCC

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SUMMARY OF UTILITY POSITION
IN FCC DOCKET 93-61

The FCC encouraged the development of innovative unlicensed communications products in the 902-928 MHz band under Part 15 of its Rules.

Many unique and cost-effective products were developed in this band including automatic meter reading (AMR), telemetry, and demand side management (DSM) systems used by electric, gas and water utilities.

Even though automatic vehicle monitoring (AVM) was originally authorized in this band in 1974, the FCC adopted only "interim" rules due to uncertainty as to AVM technology. A few AVM systems have been implemented under these interim rules, and the manufacturers of Part 15 devices have successfully designed their products to coexist with each other as well as AVM systems operating under the interim rules.

By proposing to expand the permissible uses of AVM systems and to adopt "permanent" AVM rules, the FCC is placing at risk millions of dollars of investment in Part 15 devices. In a survey of 45 electric and gas utilities, it was found that these utilities have already invested about $200 million in this band, and are forecasting a total investment approaching $1 billion over the next few years.

Among the major AVM proponents and the manufacturers and users of Part 15 devices, it is widely accepted that Part 15 devices are likely to cause interference to certain types of AVM systems, and that certain types of AVM systems are likely to cause interference to Part 15 devices. Under the FCC's current hierarchy, licensed services, such as AVM, would have priority of use as against unlicensed Part 15 devices.

While it is impossible to predict how many AMR or DSM devices might be impacted by AVM, it should be noted that interference with a relatively small number of such devices could significantly reduce the economic viability of the system as a whole. With AMR systems, if the utility cannot obtain a good read from at least 90% of the meters, the value of the AMR system is significantly diminished. For example, Washington Gas reports that it is able to accurately read 98-99% of the meters every month, using AMR, whereas without AMR it was able to read only about 80% of the meters in a given month, with estimated bills issued every other month. Likewise, with sophisticated DSM systems, the utility must be capable of communicating on a regular basis with <u>all</u> meters in the service territory in order to transmit pricing information and other control signals, and to collect usage data. The system currently being installed by Southern California Edison, for example, will require at least 30,000 radio transmitters, and is projected to save approximately

1 billion kWh per year due to voltage conservation, yielding an estimated $40 million annual savings to ratepayers.

Once a utility makes a decision to implement an AMR or DSM system using a given technology, it is generally infeasible to "change horses" in the middle of the project. The FCC's proposal has already had a chilling effect on the utility industry due to the uncertain future of the AMR and DSM equipment which has been developed for the 902-928 MHz band.

Because the FCC actively encouraged the development of Part 15 devices, it is incumbent on the FCC to expand the operation of AVM systems only if this can be done in a way that will not adversely affect the significant investment that has already been made in this band.

The utilities recommend that AVM be authorized only under the following conditions:

- Allow Part 15 devices to continue to operate throughout the 902-928 MHz band on a co-equal basis with AVM.
- In the 910-920 MHz band, restrict AVM operations to non-multilateration (narrowband) AVM systems.
- Impose no height limits on the operation of Part 15 devices.
- Place high power AVM forward links in the upper part of the band.
- Disallow the use of wideband AVM forward links.
- Impose reasonable height/power limits on AVM.
- Impose reasonable duty cycle and repetition rate limits on AVM.

# # #

UTC Survey Data On Utility Use of 902-928 MHz Band For AMR And Other Systems

Name of Utility	Number of Customers	Future Customers	Current Investment	Forecasted Investment
Alabama Power Company	6	N/A	$25 Thousand	N/A
City of Anaheim	700	1,000	$.15 Million	$ 1 Million
Arizona Public Service	N/A	350,000	N/A	$23 Million
Atlanta Gas Light	430,000	470,000	$30 Million	$35 Million
Baltimore Gas & Electric	N/A	500,000	$.5 Million	$27 Million
Bay State Gas Company	100,000	N/A	N/A	N/A
Boston Edison Company	15,000	25,000	$.1 Million	$ 3 Million
Berkshire Gas	203	33,300	N/A	$3.6 Million
Boston Gas	285,000	N/A	$20 Million	$30 Million
Brooklyn Union Gas	190,000	248,000	$8 Million	$13 Million
Citizens Gas & Coke Utility	1,000	50,000	$.3 Million	$4 Million
Columbia Gas Distribution	600	500,000	$.3 Million	$15 Million
Commonwealth Edison Company	N/A	N/A	$.5 Million	N/A
Commonwealth Gas Co.	100,000	450,000	$6 Million	$33 Million
Connecticut Natural Gas	N/A	145,000	N/A	$12 Million
Consolidated Edison	1,500	50,000	$.6 Million	$5 Million
Consumers Power	N/A	1,800,000	N/A	$90 Million
Florida Power Corp.	2,000	7,000	$.1 Million	$1 Million
Florida Power & Light	500	N/A	$1 Million	N/A

Georgia Power Company	275	1,600,000	$55,000	$160 Million
Greystone Power Corp	N/A	N/A	$.1 Million	$5 Million
Iowa-Illinois Gas & Electric	45	240,000	$.4 Million	$2.4 Million
Kansas City Power & Light	N/A	400,000		
Kentucky Utilities	N/A	150,000	N/A	$15 Million
Lee County Electric Coop.	24,000	50,000	$.15 Million	$.3 Million
Long Island Lighting	N/A	1,000,000	$.5 Million	$5 Million
Midwest Power	1,300	762,000	$1.5 Million	N/A
Minnegasco	378,000	490,000	$21 Million	$30 Million
Montana Dakota	250	40,000	$.1 Million	$4.5 Million
Northeast Utilities	30,000	1,500,000	$4 Million	$100 Million
Oklahoma Natural Gas	N/A	100,000	N/A	$2.5 Million
Pacific Gas & Electric Co.	1,000	200/year	$2 Million	$.5 Mil./year
Peoples Gas Light and Coke	80,000	770,000	$6 Million	$54 Million
Peoples Natural Gas Company	70,000	N/A	$4 Million	N/A
Philadelphia Gas Works	35,000	500,000	$1.5 Million	$27 Million
Potomac Electric Power Co.	N/A	N/A	$.3 Million	N/A
Providence Gas	1,000	160,000	$.2 Million	$12 Million
Public Service Colorado	N/A	1,000,000	N/A	$30 Million
Sacramento Municipal District	N/A	100,000	N/A	$5 Million
Southern California Edison	8,000	35,000	$40 Million	$110 Million
Southern California Gas	2,000	80,000	N/A	$5 Million
Southern Company	55,000	60,000	$6.6 Million	$7.5 Million

Texas Utilities	N/A	2,500,000	N/A	$50 Million
Washington Gas Light	190,000	210,000	$14 Million	$15 Million
Yankee Gas Services	184,000	186,000	$13 Million	$14 Million
Totals	2,187,679	15,588,300	$184 Million	$940 Million

This information has been compiled from the American Gas Association and an independent survey by the Utilities Telecommunications Council. These figures reflect the investments of only 45 utilties and do not represent all existing or projected utility use of 902-928 MHz band.

Explanation of columns: "Number of Customers" indicates current number of utility costumers or end units served by the system; "Future Customers" indicates number of existing utility customers or end units that the utility intends to ultimately serve with the system; and "Forecasted Investment" indicates total forecasted utility investment in unlicensed AMR and other 902-928 MHz equipment.